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Schools and Libraries Program Correspondence Unit
Attention: Letter of Appeal
30 Lanidex Plaza West, PO Box 685
Parsippany, NJ 07054-0685

**Appeal of Green Dot Public Schools (BEN 16021229) 2015 Form 471 application 998706
FRN 2804049**

Green Dot Public Schools (BEN 16021229) wishes to appeal the May 26, 2016 denial of 2015 **FRN 2804049**, the 1 Gbps Direct Internet Service connections supplied by ENA to two Green Dot schools in Tennessee: Fairley High School and Wooddale Middle School. (**Attachment A**) As we will demonstrate, Green Dot operates these entities as stand-alone schools, with no data passing between them. The schools are configured separately and as such, data circuits on this application are applied separately for each site. Without these direct internet connections, neither school would have internet access.

Background

In 2014, Green Dot acquired Fairley High School as a stand-alone school in Memphis, TN. The majority of the schools, as well as the District Office, in Green Dot's public school district are in Los Angeles, California, 1700 miles away. Due to the distance, and the fact that the data crosses seven states, it is not feasible to have WAN connections supplied from the District Office to the school in TN as the primary internet connection. A 1 Gbps WAN connection from Los Angeles – which is the standard at the district in conjunction with SEDTA guidelines – would have been cost prohibitive – not only for the direct circuit costs, but also for the special infrastructure build-out required to supply 1 Gbps.

The 1 Gbps connection to Fairley High School was reviewed as part of the 2014 Green Dot Selective Review – and awarded funding. The RFP and the Form 470 that provided the basis for the funding request allowed for the increase in sites and services, as Green Dot anticipated acquiring additional sites in Tennessee in future school years. In 2015, Wooddale Middle School was added to the original contract by amendment as another stand-alone school.



Green Dot uses these connections to support a vast array of academic and operational applications and technologies – all of which are contingent on high-speed internet. These applications and technologies include:

- 1.4:1 student-to-device ratio, with all devices used throughout the school day
- Seamless high-speed wireless environment, including 50+ wireless access points throughout each school
- Daily, period-by-period use of Scholastic (Literacy) and Carnegie (Math) intervention tools
- Daily, period-by-period use of Google Apps for Education, with 100% of students & staff using the full suite of Google Apps and custom Green Dot email addresses for students
- Daily, period-by-period use of online assessments via EADMS, Green Dot's assessment system
- Daily, period-by-period use of PowerSchool and HeroK12 for attendance, tardies, and student interventions
- Daily, period-by-period use of Informacast IP-based speaker, bells, and clock system
- Thorough vetting and testing of TNReady state testing systems in anticipation of state testing initiatives

2014 ENA contract is Cost Effective

In 2014, when the competitive bidding review was conducted, there were four bids. ENA's bid was the second least expensive of the four bids. (The lowest bid, by price, was Cogent, however they did not bid on all services as indicated). ENA's bid was \$3500 a month (\$42,000 annual) per site less than the AT&T bid at \$15,500 monthly, and \$9678 a month (\$116,136 annual) less than the Broadcore bid of \$21,678 monthly for the same 1 Gbps service. Two vendors submitted bids significantly higher than the ENA bid chosen. ENA's bid was the only bid to not include additional one-time installation costs, a factor that weighed heavily on the determination of cost-effectiveness. Green Dot reviewed all of the bids and determined that ENA's bid was the most complete and most cost-effective.

Furthermore, as indicated in the response we sent the cost-effective reviewer on 4/29/2016 and included below for completeness (**Attachment B**), if you compare the ENA bid to the Tennessee State Master Contract, NetTN, you will see that the State Contract in effect in 2014 had 1 Gbps Direct Internet Access service listed at \$15,500 per month and served by AT&T. Thus, ENA's pricing was also cost effective when compared to existing State Master Contract pricing within the Tennessee market. (Please see <https://nettn.net/docs/default-source/default-document-library/nettn-catalog-of-service.pdf?sfvrsn=0> as well as the file: [nettn-catalog-of-service](#) on page 5 for the Direct ISP connection charges)



Table 1: Monthly Costs for Tennessee State Master Contract for 100 Mbps and 1 Gbps service (Page 5 NetTN contract)

Attachment B – NetTN Catalog of Service Offerings

Metro Ethernet 20 Mbps											
Metro Ethernet 50 Mbps	/month	\$2,495.00	\$2,495.00	\$2,495.00	\$2,495.00	\$2,495.00	\$2,495.00	\$2,495.00	\$2,495.00	\$2,495.00	\$2,495.00
Metro Ethernet 100 Mbps	/month	\$2,795.00	\$2,795.00	\$2,795.00	\$2,795.00	\$2,795.00	\$2,795.00	\$2,795.00	\$2,795.00	\$2,795.00	\$2,795.00
Metro Ethernet 200 Mbps	/month	\$4,891.00	\$4,891.00	\$4,891.00	\$4,891.00	\$4,891.00	\$4,891.00	\$4,891.00	\$4,891.00	\$4,891.00	\$4,891.00
Metro Ethernet 300 Mbps	/month	\$7,826.00	\$7,826.00	\$7,826.00	\$7,826.00	\$7,826.00	\$7,826.00	\$7,826.00	\$7,826.00	\$7,826.00	\$7,826.00
Metro Ethernet 450 Mbps	/month	\$9,500.00	\$9,500.00	\$9,500.00	\$9,500.00	\$9,500.00	\$9,500.00	\$9,500.00	\$9,500.00	\$9,500.00	\$9,500.00
Metro Ethernet 600 Mbps	/month	\$11,000.00	\$11,000.00	\$11,000.00	\$11,000.00	\$11,000.00	\$11,000.00	\$11,000.00	\$11,000.00	\$11,000.00	\$11,000.00
Metro Ethernet 750 Mbps	/month	\$12,500.00	\$12,500.00	\$12,500.00	\$12,500.00	\$12,500.00	\$12,500.00	\$12,500.00	\$12,500.00	\$12,500.00	\$12,500.00
Metro Ethernet 900 Mbps	/month	\$14,000.00	\$14,000.00	\$14,000.00	\$14,000.00	\$14,000.00	\$14,000.00	\$14,000.00	\$14,000.00	\$14,000.00	\$14,000.00
Metro Ethernet 1 Gbps	/month	\$15,500.00	\$15,500.00	\$15,500.00	\$15,500.00	\$15,500.00	\$15,500.00	\$15,500.00	\$15,500.00	\$15,500.00	\$15,500.00

Consequently, having conducted a fair and open competitive bidding process, having evaluated against two other competing bids that were significantly more expensive than the ENA bid, and the NetTN Tennessee State Master Contract, and that the ENA contract passed the Ysletta test for cost-effectiveness as the winning service was less than 2.5x the cost of commercially available services, we conclude that the underlying contract is cost-effective.

Addition of New site Wooddale Middle School under the Existing ENA Contract

Green Dot acquired Wooddale Middle School for the 2015 school year starting in August 2015. Due to complexities relating to the handover, including denial of access to the building, all services under the previous administrator were cut off at the end of May 2015 and Green Dot had less than 60 days to turn on services in preparation for opening in July 2015, Green Dot determined that the most cost-effective and efficient means of providing internet access to the school was through Direct Internet Access connections. Not using a Direct Internet Access circuit would have left Wooddale without any internet access for nearly the entire funding year and disadvantaged the students who are core to E-Rate’s mission.



Table 2 Language from the Establishing Form 470 # 221630001220688 from 2014.

13 Check this box if there are any restrictions imposed by state or local laws or regulations on how or when service providers may contact you or on other bidding procedures. Please describe below any such restrictions or procedures and/or provide an Internet address where they are posted and a contact name and telephone number.

Check this box if no state and local procurement/competitive bidding requirements apply to the procurement of services sought on this Form 470.

If you are requesting services for a funding year for which a Form 470 cannot yet be filed online, include that information here.

Applicant may consider multi-year contracts and/or a contract(s) featuring voluntary extensions. Applicant will give higher weight to vendors who can provide all requested service as an integrated proposal. Applicant prefers bids off of master contracts in TN. Applicant may consider contracts with flexible terms to allow for growth in services to accommodate an increase in the number of sites and users and/or terms to allow for reduction in services due to reduction of sites and users over the term of the contract(s). Applicant may consider contract(s) with flexible terms to allow for growth in bandwidth and/or reduction of bandwidth over the term of the contract(s). Service Providers submitting proposals in response to this FCC Form 470 must be in compliance with the rules and orders governing the schools and libraries universal service support program, and that failure to be in compliance and remain in compliance with those rules and orders may result in the denial of discount funding and/or cancellation of funding commitments. Service Providers submitting proposals must do so in good faith of compliance with the Lowest Corresponding Price Rule. Lowest corresponding price (LCP) is defined as the lowest price that a service provider charges to nonresidential customers who are similarly situated to a particular E-rate applicant (school, library, or consortium) for similar services. See 47 CFR Part 54 Section 54.500(f). A similarly situated E-rate applicant is one that is located in the service provider's geographic service area, i.e., the area in which the service provider is seeking to serve customers with any of its E-rate services. See First Report and Order 12 FCC Rcd 8776, 9032, para. 486. Similar services include those provided under contract as well as those provided under tariff. First Report and Order, 12 FCC Rcd 8776, 9032, para. 485.

In the Cost Effective review's 'Intent to Deny' determination sent on 4/22/2016 (attached):

This request for a (1 Gbps circuit between 2 TN schools (Fairley HS and Wooddale) to the District Hub in Los Angeles) at a monthly cost of \$27,000/m which for 2 schools and with only 1345 students is excessive and not cost effective.

The denial determination is incorrect and reflects a fundamental misunderstanding of the nature of the circuits requested. Data does not pass as a WAN between Fairley HS and Wooddale MS. The funding request was for two 1 Gbps Direct Internet Access connections to two stand-alone schools that do not share data as indicated in the Network Diagram below. ***The data on these 1 Gbps direct internet access circuit affected by the cost effective review do not connect to Los Angeles.***

Table 3a: Green Dot Tennessee Network Diagram for Fairley High School

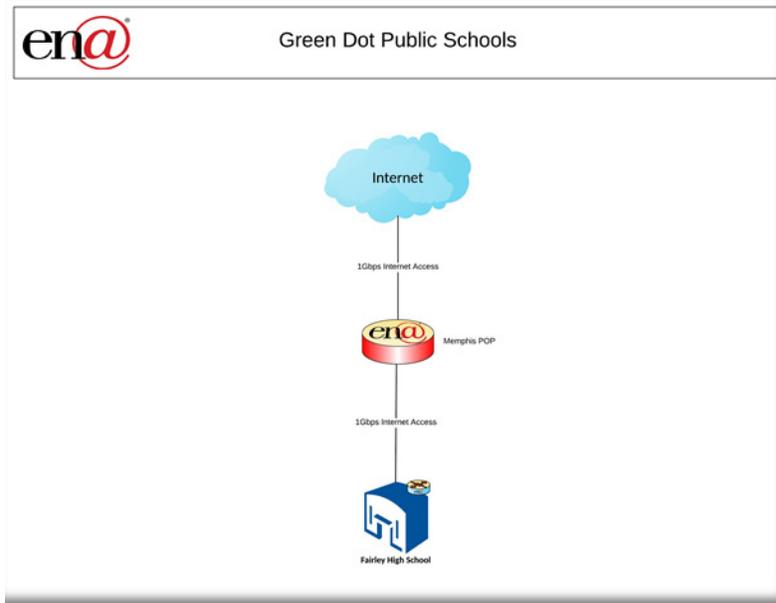
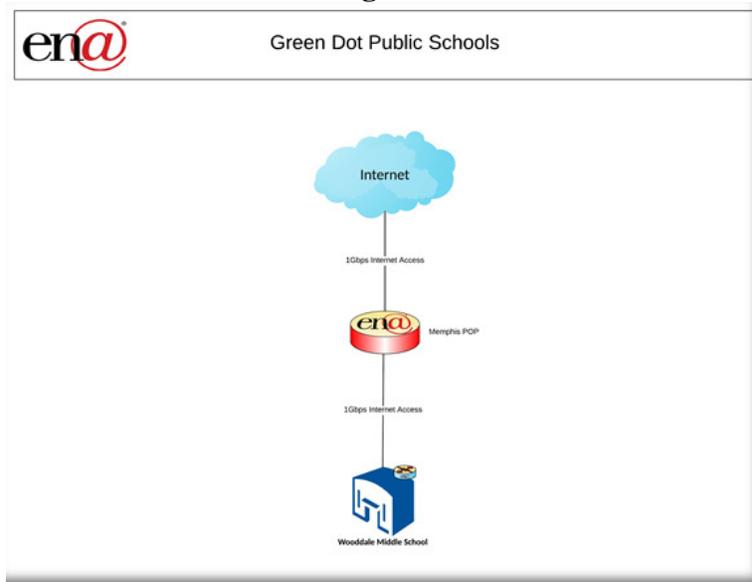


Table 3b Green Dot Tennessee Network Diagram for Wooddale Middle School



Using Direct Internet Access costs from the original 2014 contract we outlined above, costs for the two circuits would have been \$7,000 a month MORE had Green Dot used either the NetTN State Master Contract or the AT&T bid for 1 Gbps service. With the firewall service (included on the original ENA bid as ineligible in 2014, but newly eligible in 2015) the monthly cost for ENA’s service is still \$4000 a month less than AT&T’s comparable service for the two sites.



Consequently, since each site is a stand-alone site and shares no data between the two sites, the cost effective reviewer incorrectly lumps the two circuits together and uses the combined student population of 1345 students to determine cost effectiveness. Rather than a combined total of 1345 students, the cost effective reviewer should consider the student population of each school separately. 2015 student enrollment for Fairley was 574 and for Wooddale at 615. A 1 Gbps connection, which is the standard adopted by all Green Dot schools in conjunction with SEDTA guidelines for the reasons noted previously (e.g., 1.4:1 student-to-device ratio, daily period-by-period use of Scholastic, Carnegie, Google Apps for Education, EADMS, PowerSchool, Hero12, Informacast, & more) is both warranted and required for the two schools in Tennessee based on their student population.

Conclusion

As we have demonstrated above, the cost effective review fundamentally misunderstood the nature of the internet access circuits at Fairley High School and Wooddale Middle School in Tennessee. Both schools are stand-alone schools that share no data between them—and the circuits are direct internet access circuits, not WAN circuits, required because of the 1700 mile distance crossing 7 states between the schools in Memphis, TN and the Green Dot District office in Los Angeles, California. Compared to the bids received, the ENA bid was \$3500 a month per site less expensive than the AT&T bid. The ENA bid is more cost-effective than the NetTN contract, which is the state contract for the State of Tennessee. Therefore, the denial of Form 471 application **998706 FRN 2804049** on the basis of cost effectiveness is incorrect, and we ask that the denial be overturned and the appeal granted.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul Stankus", written in a cursive style.

Paul Stankus